

The LASERS Vision:

*Confidence in our service, assuring
financial security for your future*

iBEAM

the LASERS Beam Interactive

LASERS
P.O. Box 44213
Baton Rouge, LA 70804-4213
225.922.0600
800.256.3000

www.lasersonline.org

LASERS Board of Trustees

Lorry S. Trotter, 2009 Board Chair
225.627.6264

Cynthia Bridges
225.219.2700

Virginia Burton
225.753.5527

Connie Carlton
225.928.4265

Charles Castille
225.342.6726

Sen. D.A. "Butch" Gautreaux
800.562.3204

Hon. John Kennedy, State Treasurer
225.342.0010

Barbara McCann
337.433.8910

Louis Quinn
225.766.3245

Sheryl M. Ranatza
225.342.6744

Rep. Joel Robideaux
337.984.1091

2009 Election Update

Nominations are open for five of the twelve seats on the LASERS Board of Trustees. Four of these seats must be filled by active members of LASERS; one must be filled by a LASERS retiree.

Trustees serve four-year terms. No trustee may serve more than three consecutive terms. One of the active seats up for election will be to fill a vacancy that currently exists on the Board. That term will end in 2012.

If you are interested in running for the Board, you can obtain a nominating petition from your agency's human

resources office, the LASERS website, www.lasersonline.org, or by calling LASERS at 225.922.0600 or 800.256.3000.

A potential candidate for the Board must submit this official petition bearing the names and signatures of at least 25 active or retired members of LASERS, depending on whether they are running for an **active** or **retired** member seat. For purposes of verification, each signature must be accompanied by the last four digits of the signatory's Social Security number.

2009 LASERS Board of Trustees Election Schedule of Events

July 14	Nominating petitions due to LASERS by 4:30 p.m., Central Time
July 17	Drawing to determine candidate ballot position
September 25	Ballot packets mailed to eligible voters
October 23	Voting ends, 4:30 p.m., Central Time
October 28	Ballots/electronic votes are tallied and verified
November 20	Board of Trustees certifies and authorizes publication of results
January 21, 2010	Orientation for new trustees
January 25, 2010	New trustees are sworn in

2009 Regular Session of the Louisiana Legislature is Underway

A number of bills have been pre-filed for the session which affect LASERS and its members. There are no bills sponsored by LASERS. At its April 24, 2009, meeting, the LASERS Board of Trustees took positions on these bills as indicated.

HB 586 – Doerge, et al, Board Position: Support

Grants a minimum benefit to certain LASERS and TRSL retirees, beneficiaries, and survivors. The cost of the minimum benefit will be paid from the Experience Account. The following criteria must be met:

- 30 or more years of service credit, excluding unused leave,
- Retired for 15 or more years,
- Monthly benefit is less than \$1,200,
- At least 60 years of age,
- Did not participate in DROP or choose an IBO.

HB 113 – Johnson, Board Position: Oppose

Allows a retiree who has at least 28 years of service and who has held an unclassified position appointed by the Governor for at least one year to draw a full salary and a full retirement benefit.

HB 230 – Arnold & Tucker, Board Position: Oppose

Consolidates administrative duties of the four state retirement systems into one Board of Trustees. The Board shall appoint one director, one deputy director, one assistant director, one chief investment officer, and one executive counsel for the state retirement systems collectively, and those positions previously existing for each state system shall be vacated and abolished. However, separate investment and legal staff for each system shall be maintained.

HB 290 – Doerge, Board Position: Oppose

Allows a re-employed retiree to select his or her current spouse as beneficiary for the purpose of any supplemental retirement benefit if a former spouse was selected as beneficiary upon his or her initial retirement.

HB 357 – Arnold & Tucker, Board Position: Oppose

Requires state retirement systems to direct 50% of the commissions on all trades of domestic and international equities through Louisiana broker-dealers.

HB 584 – Tucker, Board Position: Oppose

Provides that no member may participate in the Deferred Retirement Option Plan (DROP) during the period of July 1, 2009, through June 30, 2012.

HB 96 – Pearson, Board Position: Neutral

Allows state and statewide retirement systems to provide a retirement option with guaranteed annual 2.5 percent cost-of-living adjustments (COLAs). The member would receive an actuarially reduced benefit to fund the COLAs.

HB 513 – Richard, Board Position: Neutral

Provides for early retirement if a member is at least 50 years of age with at least 10 years of service with actuarial reduction of benefits. Positions vacated through this early retirement and through the existing 20-year actuarially reduced retirement are abolished. Members taking either early retirement option are not eligible for re-employment.

HB 649 – Montoucet, et al, Board Position: Neutral

Establishes a special fund known as the “Adult Probation and Parole Officer Retirement Fund” and authorizes a \$65 fee to be collected by the Department of Public Safety and Corrections on all existing files and new case files opened by probation and parole officers in the office of adult services to be deposited into that fund. Allows monies in the fund to be used for enhanced benefits for adult probation and parole officers, if the legislature provides for such benefit enhancements by June 30, 2015.

HB 673 – Pope, Board Position: Neutral w/amendment

Allows members of LASERS and TRSL to purchase service credit for time that they were subjected to an involuntary furlough due to budget reductions.

***HB 579 – Robideaux & Tucker**, Board Position: Neutral

***HB 722 – Robideaux**, Board Position: Neutral

***SB 296 – Gautreaux, B.**, Board Position: Neutral

*These three bills provide mechanisms for level-dollar payments for the Systems' debts. The LASERS Board of Trustees has taken a neutral position awaiting further information on the details of the mechanics of the bills and which approach will be used.

Furlough Facts

LASERS has recently received a number of questions related to the effects on retirement benefits that may be caused by furloughs, forced salary reductions, and other measures employers may take during these difficult economic times.

LASERS is a Defined Benefit Plan, using a formula that takes into account average annual salary at the time of retirement, years of service, and your accrual rate. This benefit is constitutionally protected, but there are factors, such as furloughs and/or salary reductions that can affect a member's benefit, especially if that member plans to retire in the near future.

FAQs About Furloughs, Reduced Hours, Leave without Pay and Part-time Employment

1. If I have been furloughed, can I purchase service credit for the time spent away from my job?

Currently there are no provisions that would allow the purchase of time while furloughed. Legislation would be required to make this option available. [HB 673-Pope](#), is a bill that should be monitored on this point.

2. If I have been placed on Leave Without Pay (LWOP), can I purchase service credit for the time spent away from my job?

Yes. You can purchase service credit for LWOP once your leave has ended. The credits must be purchased prior to retirement and you can purchase no more than five years of credit for time not worked, which includes Leave Without Pay, Air Time, etc.

3. What happens to my service credit in LASERS if I am classified as part-time?

If you are classified as part-time, you will receive a pro-rated service credit based on your actual earnings received and the full-time rate of pay you would have earned had you worked on a full-time basis. You will also receive full-time retirement eligibility credit for the time worked as a part-time employee.

4. What happens if I am classified as part-time working less than 20 hours per week?

If you are working less than 20 hours per week, you may not participate in LASERS, unless you have a minimum of 10 years service credit. You must work more than 20 hours a week to be eligible for LASERS membership if you do not have the necessary 10 years of service credit.

5. What happens to my final average compensation if I work on a part-time basis for the entire year?

If you work on a part-time basis, you will receive a prorated service credit, but will receive the benefit of your full-time salary for the purpose of determining your final average compensation.

6. What happens if I am permanently released from my position?

Regular "rank-and-file" employees who terminate employment may be eligible for retirement, depending on their actual years of retirement credit. Retirement will provide a monthly, lifetime benefit. Eligibility requirements for retirement are 10 or more years at the age of 60 or 20 or more years at any age (actuarially reduced benefit), 25 or more years at age 55 or 30 years at any age. If you do not have the necessary years of service or age to retire when your state employment ends, you may wish to consider a refund of your accumulated contributions. However, when you request a refund of your contributions you also forfeit all prior service. Anyone who became or becomes a member of LASERS on or after July 1, 2006, will join the "new" plan which requires contributions at an 8 percent rate instead of 7 ½ percent rate, has retirement eligibility of 10 or more years of service at age 60 only, and will have their retirement based on 60 months of earnings rather than 36 months of earnings. Therefore, if you are terminated from employment and plan to become re-employed at some future date a refund may not be the right choice for you.

Employee of the Quarter: Amanda Smith



Among her many other activities, Amanda Smith, an Administrative Assistant for the Executive Division, coordinated the recent staff move from UP3 back to LASERS. This major undertaking consisted of rearranging many offices in the building to accommodate a significant number of employees.

During this move she had to keep track of all furniture while balancing personal requests and the need for efficiency. Amanda worked late in the evenings and on many weekends to smoothly coordinate the move. She took the lead in negotiating with the furniture vendor and held their feet to the fire on their promises to deliver.

Long after the move was completed, Amanda was still following up to make sure LASERS was not charged for furniture it did not receive. Moving is often stressful, and Amanda handled it in a cool, calm, professional manner. She should be applauded for a job well done.

Congratulations Amanda!

Money Matters

Stimulus for Retirees

The federal stimulus package recently approved by Congress includes a one-time benefit for retirees. Under the plan, Social Security retirees will receive a \$250 check. LASERS retirees will be able to take a \$250 credit against income taxes owed for the tax year 2009. However, the credit is not available to persons who were eligible to receive an economic recovery payment under the Veteran's Administration, Railroad Retirement Board, or Social Security. Check with your tax preparer!

Change in Federal Withholding

Retirees may notice a change in the amount of federal withholding that is deducted from their retirement check. This provision went into effect April 1st as a result of changes in the federal tax withholding tables required by the federal stimulus "Making Work Pay Tax Credit." Due to the complex nature of this credit, LASERS suggests that retirees contact their tax advisor about how this may affect their personal tax situation. Retirees can change the amount of withholding by completing a new [Form W-4P](#), located on LASERS website, www.lasersonline.org, and submitting that form to LASERS.

Annual Statements

If your Annual Statement said "no information on file" for your beneficiary, it may mean that, although the information is contained in your record, it has not been entered in our new pension administration system, SOLARIS. This is an excellent opportunity for you to update your beneficiary record. Have you gotten married, divorced, or had children since you began your employment? If so, your record likely needs to be updated. Simply complete [Form 1-6, Designation of Beneficiary](#), available on the [LASERS website](#), and return it to us at the address on the top of the form, along with copies of pertinent documents such as a marriage license, judgment of divorce, birth certificate, or Social Security card.

Attention Retirees:

Don't forget to attend the LASERS Retiree Workshop on July 16, 2009 in the LASERS 4th floor Board Room.

Register online by clicking on the [Seminars](#) link at www.lasersonline.org

THE BOARD MEMO

Lorry S. Trotter, 2009 Board Chair



Many of us hoped that by this edition of the BEAM, the economy and market conditions would have

improved considerably. While there have been positive signs, concerns continue about how the current financial environment is affecting LASERS.

First of all, keep in mind that LASERS members are part of a defined benefit plan. That means benefits are determined by a formula that takes into account years of service and average salary at the time of retirement. The ups and downs of the stock market do not affect the level of your retirement benefit, as it would with a defined contribution plan, such as a 401(k) plan.

LASERS lowered its equity exposure in the spring of 2008. During these volatile times, LASERS will continue to closely monitor investments

and make adjustments when prudent.

Currently, LASERS is actively searching for investment opportunities arising from recent market events that will result in favorable returns. Though the LASERS portfolio was affected by changes in the market, LASERS is a long-term investor, and will continue to manage a diversified portfolio with the goal of achieving approximately nine percent average returns while minimizing risk.

Furthermore, remember your LASERS benefit is constitutionally guaranteed. The LASERS Board of Trustees is fully aware of the importance of its fiduciary duty at this critical time. Your benefits are secure.

Easy Access for Actives, Retirees, and Agencies



LASERS employee, Jennifer Tetzels conducts an Employer Self-Service (ESS) Seminar at Louisiana Technology Park.

For some time now, LASERS retirees have enjoyed the benefits of self-service on the LASERS website. Since the early part of this year, an increasing number of active members have been taking advantage of the new **Active Member Self-Service**. This online feature is a product of our state-of-the-art pension administration system, the State of Louisiana Retirement Information System or SOLARIS

The features of self-service give you the ability to review and change your tax withholding, contact information, and to request income verification for your personal business transactions. In order to take advantage of these great new features, it will be necessary to create a new online login and password for the LASERS website, www.lasersonline.org. You will need to provide your Social Security number and date of birth to create a new login and password.

In addition, SOLARIS offers enhanced annual statements that provide detailed account information, along with adjustments made to your retirement records for such activity as transfers of service credit, purchases of service, and repayment of refunded contributions.

LASERS is also proud to announce that **SOLARIS Employer Self-Service (ESS)** and related modules (Employer Maintenance, Employer Option 1A Rehired Retirees, and Employer Inquiry) became available for agency use at the end of March.

The **LASERS Employer Self-Service Contribution Reporting User Guide** is available on LASERS website. The guide will serve as a tool to assist agencies with navigating through the ESS modules and provide an explanation of fields in the ESS Reporting Module.

From the Desk of Cindy Rougeou

LASERS Executive Director



LASERS Board Chair Lorry Trotter (left) and LASERS Executive Director Cindy Rougeou (right) participated in the RSEA statewide tour.

Springtime at LASERS means it is time to hit the road and travel the state to visit with members of the **Retired State Employees' Association (RSEA)**. This year the staff, management and trustees of LASERS were enthusiastically greeted by retirees. RSEA plays a critical role in keeping your retirement benefits secure.

Its two main concerns are protecting the pension checks of retirees, and insuring that retirees have access to affordable and effective health-care. As a state agency, LASERS is not permitted to lobby the legislature on retirement related measures. RSEA has no such restrictions.

Allen Reynolds, RSEA's new executive director, who is also a former director of Louisiana's Department of Civil Service, will this year bring his expertise to the task of helping guide helpful legislation through the process, and to keep special-interest retirement bills from placing a burden on your LASERS trust fund.

We were particularly excited to welcome a ninth chapter to our circle of RSEA supporters across the state. The **Coastal Louisiana Chapter**, based in Houma, welcomes all interested potential members.

We at LASERS are already looking

forward to next year's tour and the exciting exchange of ideas that these forums always provide.

As you see in our review of pre-filed **legislation for the 2009 Regular Legislative Session**, the next few months at the state capitol will be challenging. We look forward to working with legislators and the administration to ensure the security of your benefits.

Debate highlighting several key retirement issues will require the vigilance of LASERS and its Board of Trustees.

For information on the latest developments on pending legislation, please monitor the Daily Beam blog on our website at **www.lasersonline.org**. You will also find a weekly summary of committee and floor action on our main page.

This public document was published at a total cost of \$11497.95 or about 10 cents a copy. One-hundred three thousand copies of this public document were published in this first printing at a cost of \$11497.95. The total cost of all printings of this document, including reprints is \$11497.95. This document was published by the Louisiana State Employees' Retirement System to disseminate plan benefit information to its members and to Louisiana policymakers under authority of La. R.S. 43:31. This material was printed in accordance with the standards of printing for state agencies established pursuant to La. R.S. 43:31. Printing of this material was purchased in accordance with the provisions of Title 43 of the Louisiana Revised Statutes.